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January 27, 1995

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BY HAND

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

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JAN 27 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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Re: Oral and Written Ex Parte Presentations; ET Docket No. 94-32

Dear Mr. Caton:

On Friday, January 27, 1994, Ronald L. Mahany of Norand Corporation and I met with Rudolfo M. Baca, Legal Advisor to Commissioner Quello, to discuss Norand's position in the above-referenced proceeding. The information presented and discussed during the meeting is contained in Norand's Comments and in the attached document which was distributed at the meeting. In accordance with § 1.1206(a) of the Commission's rules, two copies of this material are being submitted for inclusion in the public record. Please contact me if you have any questions.

Sincerely,

Stephen R. Bell
Stephen R. Bell

Enclosure

cc: Rudolfo M. Baca

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Allocation of Federal Spectrum Below 5 GHz

ET Docket No. 94-32

Presented by:

Norand Corporation

Norand Overview

- 25 years old, approximately \$193 million annual sales
- Pioneer in mobile computing, 10th year producing RF products
- R&D expenditures equal more than 10% of overall sales revenues
- Produces hand-held and industrial-mobile computer products
- 50% of products incorporate interactive RF data communications capabilities
- Offer Part 90 (450 MHz) and Part 15 spread spectrum product lines
- Nearly 20% of revenues from exports in FY '93

Part 15 Industry

- Norand was the pioneer
- Recently joined by AT&T, IBM, Motorola, Apple
- Product line includes cordless phone, wireless LAN
- Wireless LAN market to grow from \$70 million in 1993 to \$1.7 billion in 2000
- Part 15 spread spectrum device most efficient technology for wireless LAN
- Export oriented

Current Allocation for Part 15 Spread Spectrum Devices

- 902-928 MHz - subject to AVM proceeding, ET Docket No. 93-61
- 2400-2483.5 MHz - upper portion dominated by microwave ovens
- 5725-5850 MHz - not currently useable

Proposed Reallocation of 2402-2417

- Generic non-federal allocations licensed by auction

Reallocation Seriously Impacts Part 15 Technology

- Limits usefulness of existing products
 - ▶ Millions of devices
- Destroys value of R&D
 - ▶ Hundreds of millions of dollars
- Restricts the capabilities of future Part 15 products
- Severely limits export market

No Party Has Presented A Plausible Proposal for Licensed Uses

- 40 parties oppose licensed use
 - ▶ Motorola, AT&T
- Only 6 support licensed use
 - ▶ Wireless loop apparently more appropriate in 2.3 GHz
 - ▶ MMDS, MSS and public safety fail to address interference from ISM and Part 15 use and interference to Part 15
- Original supporters of licensed use (APCO, API) have abandoned support

Reallocation Is Inconsistent with Public Interest

- Commission encouraged development of Part 15 at 2402 to 2417 MHz
- Commission recognized reallocation would jeopardize investment in Part 15

"Any future changes to this band could jeopardize significant private sector investment already made in this band and could result in a loss of benefits to the public and the Federal Government."¹

¹ FCC Report to Ronald H. Brown, Secretary, U.S. Department of Commerce, Regarding the Preliminary Spectrum Reallocation Report, FCC 94-213, Released August 9, 1994, at § 51.

Reallocation Is Inconsistent with Public Interest (*continued*)

- "Critical importance of [unlicensed Part 15] wireless systems to the future development of the National Information Infrastructure (NII) is well recognized and supported."²
- Auctions should not, and arguably cannot, be used to allocate spectrum

² A letter from NTIA Administrator Larry Irving to Chairman Hundt, dated December 12, 1994.